

FISCAL NOTE

SB 1 - HB 1

March 7, 2003

SUMMARY OF BILL:

- Enacts the *Tennessee Education Lottery Implementation Law* that creates a not-for-profit corporation, which shall act on behalf of the State of Tennessee to operate a state lottery and other public functions entrusted to it.
- Requires the not-for-profit corporation, which shall be governed by a Board of Directors, to register with the Secretary of State and be subject to the corporate laws of the state. Quarterly and annual reports must be submitted to the Governor, General Assembly, Treasurer and Comptroller of the Treasury and the corporation shall be subject to an annual audit by the Comptroller of the Treasury.
- Requires the net proceeds of lottery games to be used exclusively for the purposes set out in Article XI, Section 5 of the Constitution of Tennessee. Such net proceeds shall be used to supplement existing resources for educational purposes, projects and programs.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Increase State Revenues - Not Significant

Estimate assumes:

- any expenditures of creating the not-for-profit corporations would not be the responsibility of the state.
- any expenditure related to implementation of this bill as written would be not significant.
- a fee of \$100 to file a corporate charter or articles of organization.

For information purposes, it should be noted that this bill, in and of itself, does not create a lottery. The creation of the lottery will be established by amendments to this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

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